

EXHIBIT A



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Monday, December 7, 2009

VIA E-MAIL

Richard W. Slack, Esquire
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153-0119

Re: Your letter of December 4, 2009

Dear Mr. Slack:

We will not be in a position by 5:00 p.m. today to complete a fully reasoned analysis of the points asserted in the letter you caused to be emailed to us at 10:41 p.m. this past Friday night. Thus, if your deadline is pertinent to anything of importance, you may consider our answer to be, No – we will neither withdraw the Capital Automotive Objection nor make any changes to the factual assertions about which your letter complains.

If, on the other hand, your client would like to engage in discussions of how we may together work on a solution to the concern you raise (i.e., are specifics of the negotiations between our clients set forth in the Capital Automotive Objection and attached Declarations admissible in evidence for the purposes offered or should certain statements be excluded), we will be available to do so. It would be helpful, however, if you could parse through the documents to specify the precise factual statements that you believe are problematic. Your letter casts such a wide net, it is impossible to respond efficiently.

To keep the issues you raise in perspective, I point out the following. First, the Negotiation Agreement is not a confidentiality agreement and none of the facts about which you complain include trade secrets, confidential commercial information, or other categories of

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information entitled to protection from public access under Bankruptcy Code §§107 and 112. Thus, the issue you raise is clearly only what is or is not admissible as evidence.

Second, the Lehman Motion puts at issue the timeline after the LBSF bankruptcy petition in which actions in respect of the Swap Agreement did or did not take place. The Motion argues that Capital Automotive delayed and therefore waived a time limit under Bankruptcy Code §560 in which it could exercise rights in respect of the Swap Agreement. The Motion also requests the Court to confirm the continuing force of the Swap Agreement. The Capital Automotive Objection points to the negotiations as facts demonstrating the parties' understanding that they considered the Swap Agreement to be terminated, and that no time limit was waived if even a time limit exists which we contend it does not. Capital Automotive also asserts it was fraudulently induced to enter into the very Negotiation Agreement on which Lehman relies. The Objection does not offer the negotiations as evidence of agreement on the specific amount owing or to be paid. Our contention is that Rule 408 permits evidence of compromise negotiations to be admitted for the purposes offered.

It would seem from the last sentence of your letter that there is nothing magical about moving forward with the Lehman Motion on December 16. If that is the case, and if your client would like to take us up on the proposal to try to resolve your client's concern, please let me know.

Yours truly,

A handwritten signature in black ink, appearing to read "Thomas E. Biron".

Thomas E. Biron

TEB:pab

Biron, Thomas

From: Biron, Thomas
Sent: Monday, December 07, 2009 6:04 PM
To: 'Velevis, Rob S.'; Shapiro, Ray; Eckstein, Andrew; Rist, Jeremy
Cc: Slack, Richard; Lemons, Robert; Singh, Sunny
Subject: RE: Lehman/Capital Automotive
Attachments: Slack letter.pdf

Response is attached.

Thomas E. Biron | Blank Rome LLP

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From: Velevis, Rob S. [<mailto:robert.velevis@weil.com>]
Sent: Friday, December 04, 2009 10:41 PM
To: Shapiro, Ray; Eckstein, Andrew; Biron, Thomas; Rist, Jeremy
Cc: Slack, Richard; Lemons, Robert; Singh, Sunny
Subject: Lehman/Capital Automotive

Counsel,
Please see the attached correspondence.

Robert Velevis
Weil, Gotshal & Manges LLP
200 Crescent Ct., Suite 300
Dallas, TX 75229
214-746-8156
214-746-7777 (fax)

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